



The Northeast Utilities System

TESTIMONY OF RICHARD A. SODERMAN THE CONNECTICUT LIGHT AND POWER COMPANY and YANKEE GAS SERVICES COMPANY

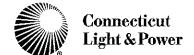
Energy and Technology Committee March 10, 2011

Re: H.B. No. 6542 (RAISED) AN ESTABLISHING A PILOT PROGRAM FOR THE DEVELOPMENT OF AN ENERGY EFFICIENT ECONOMY.

Good afternoon. My name is Richard Soderman, and I am Director of Legislative Policy and Strategy for Northeast Utilities Service Company, appearing on behalf of the Connecticut Light and Power Company and Yankee Gas Services Company.

This proposed bill calls for a pilot program for the implementation of energy efficiency and improvement measures at state and municipal facilities, with funding to be provided through state issued bonds. We do not raise objections to this proposal, but we suggest that its proponents consider a simpler approach that was proposed in last year's legislative session that would be easier to implement and funded without financial burdens on the state. In H.B. No. 5361 AN ACT ESTABLISHING A MUNICIPAL AND STATE ENERGY EFFICIENCY AND IMPROVEMENT PROGRAM, it was proposed to establish a pilot program to identify and deploy energy efficiency and clean technologies at state and municipal buildings.

That state and municipal buildings program would create new green jobs and a new approach to help the state address its current budget shortfalls while at the same time taking advantage of untapped energy efficiency opportunities and improving the overall environment. This program would provide up to 100% financing to implement energy efficiency and other energy solutions and requires no subsidies of other customers. With this approach, utilities would rapidly deploy energy efficiency measures in the shortest amount of time possible, building on the programs that it already administers, and use local contractors and service providers to make the improvements. The program would provide annual energy cost savings at existing municipal and state government facilities, thereby easing the pressure on energy cost budgets. By providing funding





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with little or no state or municipal capital investment, the program will make viable capital projects that otherwise would not have been implemented. The program would establish arrangements between and municipal or state electric customers and electric distribution companies to design and implement projects designed to provide energy savings. Repayment of the cost of the project would come out of the savings from the specific municipal or state facility customer who undertakes the project through a customer-specific facilities charge.

We think that this approach provides the same outcome (more effective energy use at state and municipal facilities) as the proposed bill by using the knowledge and abilities of our existing programs.

Thank you for the opportunity to provide testimony on this proposal.